

July 6, 2011

Stephanie Avakian

+1 212 230 8845(t)

+1 212 230 8888(f)

stephanie.avakian@wilmerhale.com

BY E-MAIL AND FEDERAL EXPRESS

Mary J. Kosterlitz, Esq.
Chief, Office of Enforcement Liaison
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: *In re Certain GIC Brokers, SEC File No. P-01118*

Dear Ms. Kosterlitz:

This letter is submitted on behalf our client, JPMorgan Chase & Co. ("JPMC"), in connection with the anticipated settlement of the above-captioned investigation by the Securities and Exchange Commission (the "Commission") of J.P. Morgan Securities LLC ("JPMS"), which is a broker-dealer affiliated with JPMC. The settlement would result in the entry of a final judgment against JPMS in an action to be filed by the Commission in the United States District Court for New Jersey (the "District Court"), as described below (the "Final Judgment").

Pursuant to Rule 405 promulgated under the Securities Act of 1933 (the "Securities Act"), JPMC hereby requests that the Commission determine that for good cause shown it is not necessary under the circumstances that JPMC be considered an "ineligible issuer" under Rule 405. JPMC requests that this determination be effective upon the entry of the Final Judgment. The staff of the Division of Enforcement has informed us that it does not object to the grant of the requested waiver.

BACKGROUND

JPMC expects the Commission to file a complaint against JPMS (the "Complaint") in the District Court. The Complaint is expected to allege that JPMS engaged in misrepresentations in connection with bidding on certain temporary investment of proceeds from the sale of certain tax-exempt municipal securities by state and local governmental entities in the United States. The Complaint will allege that JPMS made misrepresentations in connection with bidding for certain investments, violating Section 15(c)(1)(A) of the Exchange Act [15 U.S.C § 780(c)(1)(A)]. Simultaneous with the filing of the Complaint, JPMS anticipates consenting to the entry of a final judgment by the District Court (the "Final Judgment"), neither admitting nor denying the allegations in the Complaint (other than those relating to the jurisdiction of the District Court over it and the subject matter of the action). The anticipated Final Judgment will permanently enjoin JPMS from violating Section 15(c)(1)(A) of the Exchange Act and will require JPMS to

Mary J. Kosterlitz, Esq.
 July 6, 2011
 Page 2

pay disgorgement in the amount of \$11,065,969, prejudgment interest in the amount of \$7,620,380, and a civil monetary penalty of \$32,500,000.

DISCUSSION

In 2005, the Commission revised the registration, communications, and offering processes under the Securities Act.¹ As part of this offering reform, the Commission revised Securities Act Rule 405, creating a new category of issuer, the “well-known seasoned issuer,” and a new category of offering communication, the “free writing prospectus.” A well-known seasoned issuer is eligible for important reforms that have changed the way corporate finance transactions for larger issuers are planned and structured. These reforms include the ability to “file-and-go” (i.e., eligibility for automatically effective shelf registration statements) and “pay-as-you-go” (i.e., the ability to pay filing fees as the issuer sells securities off the shelf). These reforms have removed the risk of regulatory delay in connection with capital formation. In addition, well-known seasoned issuers are provided with the most flexibility in terms of communications, including the ability to use free writing prospectuses in advance of filing a registration statement.

The Commission also created another category of issuer under Rule 405, the “ineligible issuer.” An ineligible issuer is excluded from the category of “well-known seasoned issuer” and is ineligible to make communications by way of free writing prospectuses, except in limited circumstances.² As a result, an ineligible issuer that would otherwise be a well-known seasoned issuer does not have access to file-and-go or pay-as-you-go, and cannot use most free writing prospectuses.

Securities Act Rule 405 authorizes the Commission to determine, “upon a showing of good cause, that it is not necessary under the circumstances that the issuer be considered an ineligible issuer.”³ The Commission has delegated the function of granting or denying such applications to the Director of the Division of Corporation Finance.⁴

JPMC understands that the entry of the Final Judgment would make JPMC an ineligible issuer under Rule 405. If JPMC is not an ineligible issuer, it would continue to qualify as a well-known seasoned issuer, and, therefore, have access to file-and-go and other reforms available to well-known seasoned issuers, and would continue to be eligible to take advantage of all of the free writing prospectus reforms of Rules 164 and 433.

¹ See Securities Offering Reform, Securities Act Release No. 8591, Exchange Act Release No. 52,056, Investment Company Act Release No. 26,993, 70 Fed. Reg. 44,722, 44,790 (Aug. 3, 2005).

² See Securities Act Rules 164(e), 405 & 433, 17 C.F.R. §§ 230.164(e), 230.405 & 230.433.

³ Securities Act Rule 405, 17 C.F.R. § 230.405.

⁴ 17 C.F.R. § 200.30-1(a)(10).

Mary J. Kosterlitz, Esq.
July 6, 2011
Page 3

JPMC respectfully requests that the Commission determine that it is not necessary for JPMC to be considered an ineligible issuer. Applying the ineligibility provisions to JPMC would be disproportionately and unduly severe, for the following reasons:

1. The conduct addressed in the Complaint does not pertain to activities undertaken by JPMC or its subsidiaries in connection with JPMC's role as an issuer of securities (or any disclosure related thereto) or any of its filings with the Commission.
2. JPMC and its subsidiaries have a strong record of compliance with the securities laws and have cooperated with the investigation into this matter by the Division of Enforcement.
3. The anticipated Final Judgment will be the result of substantial negotiations between JPMS and the Commission's Division of Enforcement. Its terms will have been carefully crafted to meet and balance the competing concerns of all involved. Under the anticipated Final Judgment, JPMS will pay a substantial penalty and will be subject to an injunctive order. Applying ineligible issuer status to JPMC would, in effect, unfairly impose an additional punishment beyond the agreed-upon settlement terms negotiated by JPMS in good faith.

In light of these considerations, we believe there is good cause to determine that JPMC should not be considered an ineligible issuer under Rule 405. We respectfully request the Commission to make that determination.

Please contact me at the above listed telephone number if you should have any questions regarding this request.

Sincerely,



Stephanie Avakian

cc: Scott G. Campbell, Esq., JPMorgan Chase Legal Department



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

July 11, 2011

Ms. Stephanie Avakian
Wilmer Cutler Pickering Hale and Dorr LLP
399 Park Avenue
New York, NY 10022

Re: In the Matter of Certain GIC Brokers (P-01118)
JPMorgan Chase & Co. – Waiver Request of Ineligible Issuer Status under Rule 405 of the Securities Act

Dear Ms. Avakian:

This is in response to your letter dated July 6, 2011, written on behalf of JPMorgan Chase & Co. (Company) and its subsidiary, J.P. Morgan Securities LLC (JPMS), and constituting an application for relief from the Company being considered an “ineligible issuer” under Rule 405(1)(vi) of the Securities Act of 1933 (Securities Act). On July 7, 2011, the Commission filed a civil injunctive complaint (Complaint), in the United States District Court for New Jersey, against JPMS. The complaint alleges that JPMS violated Section 15(c)(1)(A) of the Securities and Exchange Act of 1934 (Exchange Act). JPMS filed a consent in which it agreed, without admitting or denying the allegations of the Complaint, to the entry of a Final Judgment against it. Among other things, the Final Judgment, as entered on July 8, 2011, provides for a permanent injunction from committing future violations of Section 15(c)(1)(A) of the Exchange Act.

Based on the facts and representations in your letter, and assuming the Company and JPMS comply with the Final Judgment, the Commission, pursuant to delegated authority, has determined that the Company has made a showing of good cause under Rule 405(2) and that the Company will not be considered an ineligible issuer by reason of the entry of the Final Judgment. Accordingly, the relief described above from the Company being an ineligible issuer under Rule 405 of the Securities Act is hereby granted, and the effectiveness of such relief is as of the date of the entry of the Final Judgment. Any different facts from those represented or non-compliance with the Final Judgment might require us to reach a different conclusion.

Sincerely,

Mary Kosterlitz
Chief, Office of Enforcement Liaison
Division of Corporation Finance